



**U.S. Department of Justice**

*United States Attorney  
Southern District of New York*

*The Silvio J. Mollo Building  
One Saint Andrew's Plaza  
New York, New York 10007*

February 6, 2017

Via ECF

The Honorable William H. Pauley III  
United States District Judge  
Southern District of New York  
United States Courthouse  
500 Pearl Street, Courtroom 20B  
New York, New York 10007

Re: *United States v. Stuart Schlesinger*, 16 Cr. 278 (WHP)

Dear Judge Pauley:

I write on behalf of the Government to respectfully request that the Court enter the amended Order of Forfeiture, attached as Exhibit A to this letter.

As the Court is aware, on September 30, 2016, the defendant was sentenced and, among other things, ordered to forfeit \$5,549,017, representing the amount of proceeds obtained as a result of the offense of conviction (the "Money Judgment"). On October 3, 2016, the Court entered a Preliminary Order of Forfeiture, which included, among other things, the forfeiture of the defendant's home located at 186 Dune Road, Quogue, New York (the "Home").

Following the entry of the Preliminary Order of Forfeiture, a Property Management Specialist with the U.S. Marshals Service conducted an analysis of the value of the Home (the "Marshals Analysis"). The Marshals Analysis identified approximately nineteen liens, mortgages, or judgments entered against the home dating back until 1997. As a result, the Government directed the U.S. Marshals Service and analysts from the Federal Bureau of Investigation to investigate the propriety of several of the liens on the Home. The U.S. Attorney's Office has also had numerous discussions with counsel for the lienholders, many of whom filed petitions in response to the Preliminary Order of Forfeiture. Based on those analyses and discussions, which have occurred over the past several months, the Government has determined that it would be unable to obtain a net positive recovery on the Home, due to the liens and other costs, and that proceeding with forfeiture of the Home would not therefore secure additional crime proceeds for victims of the defendant's crime.

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Accordingly, the Government respectfully requests that the Court enter the amended Order of Forfeiture, which reflects that the Government will not seek forfeiture of the Home. However, the Government will be filing a substitute assets motion seeking the forfeiture of certain assets, other than the Home, that could satisfy the Money Judgement.

Respectfully submitted,

PREET BHARARA  
United States Attorney for the  
Southern District of New York

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